

**IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

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|---------------------------------|----------|---|
| <b>UNITED STATES OF AMERICA</b> | <b>:</b> | <b>CRIMINAL NO.: 5:15-cr-00445</b>      |
| <b>v.</b>                       | <b>:</b> | <b>DATE FILED: 09/18/2015</b>           |
| <b>JOHN R. HODDE</b>            | <b>:</b> | <b>VIOLATIONS:</b>                      |
|                                 | <b>:</b> | <b>18 U.S.C. § 1343 (wire fraud – 2</b> |
|                                 |          | <b>counts)</b>                          |

**HANOVER INSURANCE COMPANY’S MOTION TO INTERVENE AND TO UNSEAL  
PLEA AGREEMENT FOR LIMITED PURPOSE**

Pursuant to Federal Rules of Criminal Procedure, Rule 49.1(d), Hanover Insurance Company (“Hanover”) moves this Court for an Order (a) permitting Hanover to intervene in this action for the limited purpose of seeking access to records that have been filed with the Court under seal; and (b) unsealing the “Plea Document as to JOHN R. HODDE” (Doc. 9) filed on November 24, 2015 for the limited purpose of Hanover’s investigation regarding the defense of its insured.

In support of this Motion, Hanover states as follows:

1. In this action, Defendant John R. Hodde is alleged to have, along with Douglas S. Rae, devised and intended to devise a scheme to defraud Company A, and to obtain money and property by means of false and fraudulent pretenses, representations and promises.

2. On November 24, 2015, the United States filed a Guilty Plea Memorandum indicating that Mr. Hodde would be pleading guilty to both counts of the information and that a copy of the plea agreement would be forwarded to the Court in advance of the guilty plea hearing. (Doc. 5).

3. On November 24, 2015, a “Plea Document as to JOHN R. HODDE” was filed under seal in this action. (Doc. 9).

4. Hanover issued a New York Private Company Management Liability Insurance Policy to ZGS, Inc., which is the parent corporation of Barbizon Capitol, Inc. The Hanover Policy defines “Insured Entities” to include “Subsidiaries” of ZGS, Inc. (entities in which ZGS has a 50% or greater ownership interest). The Hanover Policy also defines “Insured Individuals” to include “past, present or future employees of the ‘Insured Entity’ while acting solely within the course and scope of employment by the ‘Insured Entity’ while acting solely within the course and scope of employment with the ‘Insured Entity’ or while performing duties related to the conduct of the ‘Insured Entity.’

5. At the time of the alleged events giving rise to the Information against Mr. Hodde, Mr. Hodde was an employee of Barbizon Capitol, Inc.

6. Mr. Hodde and Barbizon Capitol, Inc. are also defendants in a civil complaint related to the allegations in this action that was filed under seal by QVC, Inc. in the United States District Court for the Eastern District of Pennsylvania (Civil Action No. 15-cv-3643).

7. The Plea Document filed on November 24, 2015 in this action may contain information critical to Hanover’s investigation of this action, as well as the civil action.

8. Perry M. Shorris, counsel for Hanover, has communicated with Nancy Potts, counsel from the United States Attorney’s Office, who indicated that the United States would not oppose this Motion.

9. Mr. Shorris also communicated with Iris Bennett, counsel for Mr. Hodde, about this Motion. Ms. Bennett referred Mr. Shorris to counsel for Barbizon Capitol, Inc. In communications with Jonathan Miller, counsel for Barbizon, Mr. Miller indicated that Barbizon would not oppose this Motion.

WHEREFORE, for the foregoing reasons, Hanover Insurance Company respectfully requests that the Court permit it to intervene in this action and order the Plea Document as to JOHN R. HODDE (Doc. 9) unsealed for the limited purpose of providing a copy to Hanover.

Respectfully Submitted,  
Lewis Brisbois Bisgaard & Smith, LLP

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